

**House Report 108-055 - MAKING SUPPLEMENTAL APPROPRIATIONS
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2003, AND FOR
OTHER PURPOSES**

ADDITIONAL VIEWS BY MR. OBEY

This in many respects is a good bill. It provides the resources necessary to support our fighting men and women in the field in a timely manner. It does so in a way that protects the constitutional responsibilities and prerogatives of the Congress as a coequal branch of the government. Finally, in producing it, the committee rejected efforts to interfere with the President's prerogatives in the execution of foreign policy.

But this bill also represents yet another missed opportunity to address pressing unmet needs for protection of the American people from terrorist attacks. While the committee made some useful improvements in funding homeland security needs within the limits proposed by the White House there are numerous critical needs that should have been addressed and were not.

That is deeply disturbing because it is important that we not only do the right thing in securing the homeland but that we do it in a timely manner. Unless, the funding levels contained in this bill for protecting citizens here at home are increased in the full House or agreed to in conference with the Senate, we will delay for months and perhaps longer the implementation of numerous simple straightforward steps that we should be taking to prevent future catastrophic attacks against the American people.

The amendment that I asked the committee to consider would have added \$2.5 billion in total spending to the bill that was reported, an increase of about 3%. Those funds would have been distributed amongst twenty-one separate programs in which current funding levels will simply not permit government agencies to perform the tasks that our nation's safety requires.

These are some of the issues that the amendment would have addressed:

Stopping Nuclear Materials From Being Smuggled Into the United States

While it is unlikely that any terrorist organization has the capacity at this time to attack the United States with a ballistic missile, it is quite likely that a terrorist organization that gained control of a nuclear, chemical or biological weapon could smuggle that weapon into the United States across our Northern or Southern border or by boat. Perhaps the greatest challenge we

face is monitoring the more than 20,000 shipping containers that enter the United States each day.

Remarkable new technology allows us to determine if any vessel in a port contains nuclear material through the installation of a single piece of equipment in that port. By placing such equipment in ports overseas we can determine whether or not a vessel is free of nuclear materials before it even leaves for our shores rather than when it has entered a U.S. port. One such piece of equipment is now being deployed by the U.S. Department

of Energy in the Port of Rotterdam, which accounts for the largest percentage of shipments into the United States of any port in the world.

The Department of Energy believes that we could install such equipment in an additional nine ports for the cost of \$135 million. That would provide us with coverage of more than half of all commercial shipping into the United States. It is almost inconceivable that the Congress would reject these funds given the amounts being spent for efforts that provide far less security.

Strengthening Security of Our Own Nuclear Materials

Another grave concern is the possibility that terrorists might gain control of nuclear materials stored here in the United States. The Department of Energy, which is responsible for the storage of such materials, has identified security upgrades that it argues are critical for insuring that these materials don't get into the wrong hands. Those upgrades cost \$87 million and are not contained in the bill reported by the committee.

Securing Nuclear Materials Overseas

Russia and a number of other nations have developed the technology to create nuclear materials and weapons but continue to have large amounts of these materials and weapons that are highly vulnerable to theft and resale to terrorists or rogue nations. We have maintained an ongoing program to help the Russians secure their nuclear stockpiles but have not developed similar efforts in other countries.

In addition, nearly every country in the world uses radioactive materials for peaceful purposes including medicine, agricultural research and industrial applications. The possibility of using such materials for construction of a so-called 'dirty bomb' makes the development of new worldwide standards for the shipment, securing and disposal of these materials a matter of the highest priority. That effort is not likely to proceed at a rapid pace unless the United States plays a leading role. That job falls to the U.S. Department of Energy but there are no funds appropriated to the Department for that purpose.

The cost of addressing both of these objectives would total only \$18 million.

Providing U.S. Laboratories the Capacity To Cope With a Chemical Weapon Attack

A year ago we passed a supplemental appropriation that provided state public health and environmental laboratories with the funds to develop the capacity to identify the agents used in the event of a biological attack. We have not, however, provided them with the capacity to identify the agents that might be used in the event of a chemical attack. The amendment that was rejected by the committee would have provided \$150 million for that purpose.

Protecting Federal Dams and Waterways From Terrorist Attacks

Numerous communities including some major cities face the prospect of catastrophic damage and loss of life from an attack on federally operated dams and waterways. In addition, attacks against waterways such as the Mississippi River could have immense economic consequences to the entire nation.

Following the events of September 11, 2001, the Corps of Engineers and the Bureau of Land Management did a specific site-by-site analysis of the vulnerability of such facilities and the cost of installing adequate security to prevent possible attacks. The assessment completed by the Corps of Engineers early last year indicated a need for security upgrades costing \$108 million. That sum was included in the Spring supplemental but vetoed by the President when the bill reached the White House last summer.

Since that time the Bureau of Land Management has completed its vulnerability assessments and has identified security needs totaling \$24 million. The amendment that the committee rejected contained \$132 million to meet the security needs identified by the two agencies.

(See appendix for list of facilities.)

Chemical Plant Vulnerability Assessments

Only weeks ago, the General Accounting Office completed a report indicating that a serious threat is posed by the possibility of terrorists targeting U.S. chemical plants. Many such plants are located in dense urban areas and any attack against them could result in catastrophic loss of life. While the responsibility for meeting these security needs lies largely with the corporations that operate the plants, the GAO points out that the federal government at this point has no capacity to determine what security upgrades may be required or whether or not chemical producers are taking appropriate steps to meet such requirements. The amendment that was rejected provided that Environmental Protection Agency with \$75 million to initiate such assessments.

Protecting Imported Food and Medical Equipment

A large portion of the food Americans now eat has at least some component that is imported. Insuring that such food is not health-threatening is an enormous task that is shared by a number of federal agencies. As a result of bipartisan efforts, resources were provided in 2001 to improve FDA's capacity to inspect imported food. But President Bush refused to agree to funding in 2002 to improve USDA's import inspections. That funding was designed to remedy a serious problem that hampers USDA import inspections: the agencies principally responsible for monitoring and inspection do not have effective methods of communicating with one another concerning what inspections have take place, what the results of those inspections have been or even whether or not certain shipments have been rejected.

We also have very limited capacity for monitoring the safety and possible contamination of imported medical devices. The amendment that was rejected contained \$30 million in funds for the Food and Drug Administration and the Department of Agriculture to address these problems.

Helping Fire, Police and Medical Personnel Help Us

We currently face the prospect across most of the nation that the victims of a chemical, biological or radiological attack could not be assisted by local fire, police and medical personnel simply because those personnel do not have the equipment or training to work in those types of environments. This problem has been widely and repeatedly documented. The Hart-Rudman report recommended that the federal government provide funding to first responders to 'immediately clear the backlog of requests for protective gear, training and communications equipment.' The report also concluded 'First responders--police, fire and emergency medical personnel--are not prepared for a chemical or biological attack . . . America's own ill-prepared response could hurt its people to a much greater extent than any single attack by a terrorist.' States and local governments have documented over \$9 billion in first responder needs that have not yet been met.

The legislation reported by the Committee contains \$2.2 billion for first responders which is available for not only meeting the needs outlined in the Hart-Rudman report but also for paying the enormous overtime costs that communities around the country have faced as a result of meeting the code orange threat level mandates. As a result of providing local governments with the authority to use funds to cover overtime costs, it is very likely that little or any of the funds provided by the committee will be used to meet backlog needs.

The amendment that the committee rejected would have added \$800 million for the equipment and training needed to let local fire, police and medical personnel meet the difficult challenges such an attack would entail. Of this amount, \$350 million would have been provided for interoperable

communications equipment, for the police, fire, and emergency response community. Communication problems in disasters have been evident for years: in the Air Florida accident over 20 years ago and more recently in the World Trade Center and Pentagon terrorist attacks, where fire and police from different states could not communicate with each other over their radios. These communication problems hinder the ability of our first responders to effectively respond to a disaster. Only 40 percent of fire departments can communicate with all of their partners. The National Strategy for Homeland Security calls for improved public safety emergency communications. According to a report issued by the National Task Force on Interoperability, at the state level, replacing basic radio systems for a single public safety agency can cost between \$100 million and \$300 million.

Also part of this \$800 million was \$150 million for firefighter grants, so that program would be funded in FY 2003 at its authorized level of \$900 million. Firefighter needs are

enormous. A December 2002, Needs Assessment of the US Fire Service found that: fire departments do not have enough portable radios to equip more than about half of the emergency responders on a shift; the majority of fire department portable radios are not water-resistant, and more than three-quarters lack intrinsic safety in an explosive atmosphere; about one-third of firefighters per shift are not equipped with self-contained breathing apparatus; and nearly half of all fire departments have no map coordinate system.

The last part of the \$800 million was \$300 million for the base Office of Domestic Preparedness program, on top of the \$1 billion appropriated in 2003 and the \$2.2 billion contained in the Republican supplemental bill. Adding \$300 million would take the base ODP program to \$3.5 billion in FY 2003, equal to the original Bush FY 2003 budget request.

Republican members of the Committee argued that no additional funding for first responders was necessary since some funding from previous fiscal years remains unspent. Had they believed that this argument was valid it would be hard to explain why the legislation includes the full \$2 billion in additional funds requested by the President and an additional \$200 million for the program added by the committee. As these members are well aware, the Bush Administration did not distribute the 1999-2002 funds for this program until less than six months ago. The best information available to the committee indicates that the distribution and obligation of these funds is now proceeding rapidly. In addition, the Committee has included in this bill a mandate that states pass 80% of the new funding on to localities 45 days, so the funds should be spent expeditiously.

Getting More Help From the National Guard and Army Reserves

A critical part of the nation's emergency preparedness has always been our ability to rely on National Guard and Army Reserve units to back up local fire and law enforcement agencies. The need for assistance from such units is obviously much greater today than before September 11th.

Although Congress has authorized 'National Guard Civil Support Teams' in all fifty states, funding has been provided for teams in only 32 states. These additional units would be available not only for deployment in the states in which they are located but to meet emergencies in other states as well. The cost of creating, equipping and training such units in the 18 states in which they do not presently exist would be \$160 million.

The Army Reserves maintain emergency/deployable medical facilities and personnel that could be used to respond to disasters created by the use of weapons of mass destruction. Shortfalls in the Army Reserve budget for training and relocating deployable military hospitals currently limit the Reserve's ability to meet this mission. The amendment that was rejected by the Committee contained \$66 million to meet this cost and the \$166 million needed to fund National Guard Civil Support Teams.

Speeding Up Proposed Expansion of the Coast Guard

Due to the Coast Guard's significant homeland security and defense role, the Administration asked for \$580 million in supplemental funding and the Committee included \$630 million. The Administration's and the Republicans supplemental funding for the Coast Guard only funds the Coast Guard's operations in Iraq and in our ports here. None of this funding is for additional staffing or additional security improvements--it's basically for costs related to increased operating tempo through use of the Coast Guard reserves.

The President's FY 2004 budget recognizes the need to increase Coast Guard personnel and provides for an additional 2,000 personnel for half of the year. These personnel could be brought on board October 1 instead of April of next year as the President proposes. The amendment that the committee rejected would have provided \$100 million to allow the Coast Guard to do this.

Additional Coast Guard personnel are sorely needed and should be recruited, trained and placed on duty as quickly as possible. In order to increase its homeland security activities as a result of the increased terrorist threat, the Coast Guard is virtually eliminating many of its other missions. According to the General Accounting Office, the Coast Guard is spending considerably less time on missions outside of the realm of homeland security, such as drug interdiction and fisheries enforcement. The Homeland Security Act calls for traditional Coast Guard missions to be protected as homeland security activities increase--this is not what is happening today and the additional resources needed for homeland security should be appropriated directly, not borrowed from other Coast Guard missions.

The Amendment would have also provided \$90 million to expand port and waterway safety systems (PAWSS) at additional ports. The Coast Guard and the Navy implemented this system recently in the port of Norfolk due to increased threat levels. The Coast Guard should implement this system at other ports. However, current funding will permit at only one additional port, San Diego. The \$90 million contained in the amendment would expand the PAWSS system to the ports of Boston, Charleston, Philadelphia, Jacksonville, Baltimore, Honolulu, San Francisco, Los Angeles, Corpus Christi, San Juan and Wilmington (NC).

Port Security

A major problem that must be addressed if we are to minimize the threat posed by illicit shipments and activities in our ports is greater security in the areas where cargo is loaded off of and on to ships. The Coast Guard has estimated that first year costs for the necessary security upgrades will exceed \$900 million and that \$4.4 billion will be needed over the next ten years. In the current year the Congress has provided only \$400 million to meet these needs despite the fact that local port authorities have made applications for nearly \$1 billion in federal funds.

Ninety-five percent of all non-North American U.S. trade moves by sea and arrives in 361 ports around the nation. Over the past decades, container traffic and energy imports increasingly have been concentrated in just a handful of ports, making them inviting targets. For instance, 43 percent of all the maritime containers that arrived in the U.S. in 2001 came through the ports of Los Angeles and Long Beach. As the recent West Coast port closures demonstrated, the cost to the economy of closing these ports totals approximately 41 billion per day for the first five days, rising exponentially thereafter.

The amendment rejected in Committee would have provided \$250 million for grants to secure ports.

Greater Security for Our War Fighters and Their Families

The ongoing event in Iraq will probably make all Americans more vulnerable to terrorist attack, at least over the course of the next several years. President Mubarak of Egypt has recently stated that instead of dealing with one bin Laden we may be facing a hundred such individuals because of the emotions that have been stirred in the Arab world by the Iraq conflict.

It is not unreasonable to expect that some of that anger may be directed against those who have risked the most in this conflict, the war fighters. Yet an assessment of U.S. military installations indicates that force protection and security is well below the levels that it ought to be. The Pentagon has identified more than \$1 billion in unfunded security needs for protecting

individual and family housing and other facilities on U.S. military installations.

The amendment that was rejected by the committee would have provided \$197 million to begin reducing that backlog of security needs.

Conclusion

The amendment also contained a number of smaller but nonetheless important items that I don't have the space to discuss in detail. Among these were vulnerability assessments for local drinking water systems; security upgrades for Amtrak tunnels in major East Coast cities; increased security arrangements for the Washington, Jefferson, Lincoln monuments and the Statue of Liberty; improvement of technology for determining the origin of illicit nuclear materials and a small increase for the intelligence budget of the Department of Energy.

As stated at the beginning of these views, the total cost of the Amendment was less than \$2.5 billion. To place that in proportion, it would have increases the size of the supplemental by less than 3%. It was less than 4/5 the size of the unrequested assistance to U.S. airlines which the Speaker directed the Committee to add to the package. It was only about 1/3 the size of the funds provided for payments to foreign countries. When added to the sums for homeland security already contained in the bill reported by the committee, the total amount for protecting the American people would have been significantly smaller than the sums provided for foreign assistance.

It should also be noted that during the debate on this amendment, I offered to remove any single item that any member of the majority objected or believed that it did not represent a sufficient priority to be included in the package. I received no suggestions.

The amendment was defeated on a straight party line vote that is listed at the back of this report.

I regret that many of my Republican friends on the Committee felt compelled to vote against what they openly admitted appeared to be common sense steps to reduce the threat and consequences of a terrorist attack because of the demands of Party discipline. In a Congress in which each outcome is predetermined by leadership decisions that take place in advance of formal meeting the role of information and debate in the legislative process becomes minimal.

I find it incredible that those advising the President on these matters have so little sensitivity to the necessity of addressing these problems and that the members of the President's party in Congress seem so incapable of breaking ranks with these decisions even when they openly admit that they are in personal disagreement.

Over time, we have made progress in addressing these needs despite White House intransigence. The problem is that our adversaries are not likely to operate on a timetable that accommodates our slow and inconsistent response. The timeliness with which the funds are provided to the agencies that have responsibility for protecting our own shores is not likely to improve until more people become aware of the continued exposure and the reason appropriate steps are not being taken.

DAVID OBEY.

APPENDIX A, TO THE ADDITIONAL VIEWS BY MR. OBEY

 State name \$1.5B ODP allocation in bill Additional \$300M for
 ODP included in amendment

Alabama	25.0
5.0	
Alaska	13.2
2.6	
Arizona	28.0
5.6	
Arkansas	19.6
3.9	
California	119.3
23.9	
Colorado	25.1
5.0	
Connecticut	21.9
4.4	
Delaware	13.7
2.7	
Dist of Columbia	13.0
2.6	
Florida	62.7
12.5	
Georgia	37.6
7.5	
Hawaii	15.1
3.0	
Idaho	15.4
3.1	
Illinois	50.0
10.0	
Indiana	30.2
6.0	
Iowa	20.3
4.1	
Kansas	19.6
3.9	
Kentucky	23.8
4.8	

Louisiana	25.0
5.0	
Maine	15.2
3.0	
Maryland	28.0
5.6	
Massachusetts	31.0
6.2	
Michigan	42.2
8.4	
Minnesota	26.7
5.3	
Mississippi	20.1
4.0	
Missouri	28.7
5.7	
Montana	14.1
2.8	
Nebraska	16.6
3.3	
Nevada	17.9
3.6	
New Hampshire	15.2
3.0	
New Jersey	37.7
7.5	
New Mexico	16.9
3.4	
New York	70.2
14.0	
North Carolina	36.8
7.4	
North Dakota	13.2
2.6	
Ohio	46.4
9.3	
Oklahoma	22.0
4.4	
Oregon	22.1
4.4	
Pennsylvania	49.2
9.8	
Rhode Island	14.5
2.9	
South Carolina	23.9
4.8	
South Dakota	13.6
2.7	
Tennessee	29.1
5.8	
Texas	78.3
15.7	
Utah	18.4
3.7	
Vermont	13.1
2.6	

Virginia	33.7
6.7	
Washington	29.9
6.0	
West Virginia	16.8
3.4	
Wisconsin	28.0
5.6	
Wyoming	12.8
2.6	
Puerto Rico	23.1
4.6	
Virgin Islands	4.1
0.8	
American Samoa	3.9
0.8	
Guam	4.2
0.8	
No. Mariana Islands	4.0
0.8	
Total	1,500
300	

ADDITIONAL VIEWS OF THE HONORABLE MARTIN OLAV SABO

In this time of war and an uncertain economy, the American people must meet new challenges. We must support our troops and work to strengthen our economy and homeland defenses. It is a time to pull together as a nation, and this means shared sacrifice.

The U.S. airline industry has been particularly hard hit since terrorism came to our shores, and the war with Iraq has exacerbated their difficult situation. As we endeavor to help this vital industry and its tens of thousands of workers with the \$3.2 billion aid package contained in this bill, it is only appropriate to expect airline leaders to share in this burden.

A simple rule of fairness applies here, and my amendment to restrict executive compensation at those airlines that accept this new aid was readily approved by the Committee.

This provision is as simple as it is fair. It states that no airline receiving funding under this bill may provide compensation--pay, benefits and stock options--to senior executives that exceeds the base pay and benefits that they received in 2002.

By 'base pay and benefits,' I mean base salary and regular on-going fringe benefits, such as health coverage. I do not mean bonuses, stock options and other creative compensation devices that have come to be widely used for executives in corporate America.

I believe that this is a fair price for airline executives to pay in exchange for the massive new financial support that American taxpayers will provide to help stabilize this industry.

In these difficult times, the American people are doing their part to ensure the safety and security of our troops abroad, as well as the safety of our communities and our economic vitality here at home. Airline executives should do no less.

MARTIN O. SABO.

